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THE DIARY
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The Diary: Izabella Kaminska

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The FT Alphaville reporter takes ballroom dancing lessons, talks to author John Lanchester and learns fintech jargon

EVeryone has their guilty pleasures and mine are musical theatre, any type of Disney experience and – most embarrassing of all – ballroom dancing.

In my dream world, life would replicate fantasy and the worlds of finance and MGM musicals would collide with a spontaneous outburst of highly co-ordinated song and dance at a monetary policy board, in the spirit of a Sherman Brothers “Fidelity Fiduciary Bank” number. Wouldn’t that be nice?

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No doubt these feelings are the product of many years of unwitting exposure to the conditioning effects of Hollywood spectaculars. Yes, it’s true, I did always want to be *The Sound of Music*’s Maria in a bid to dance the *Ländler* with Captain von Trapp; or maybe *The Slipper and the Rose*’s Cinderella, whirling across the ballroom with Richard Chamberlain in tow; or, most pressingly of all, to be Patrick Swayze’s partner in that final “no one puts Baby in a corner” scene of *Dirty Dancing*, staple viewing for all girls who grew up in the 1980s.

I want to emphasise that it is for all these reasons – and not because *Strictly Come Dancing* is on the telly – that I have decided to take up ballroom dancing lessons in Chelsea’s Karen Hardy Studios this season. A little bit of cha-cha, foxtrot and waltzing is, I believe, just what I need in case I ever do find myself in an unexpected European Central Bank policy-move rumba or an Opec meeting tango.

I’ve had about six lessons to date and, aside from the fact that I’m probably not a natural, in my head I’m clearly unstoppable and headed straight for Broadway or Hollywood. Though, I have to admit, the most unexpected thing I’ve discovered about formal dancing – which, by the way, I am pretty convinced should be on the national curriculum – is that it’s mostly just a movement algorithm.

Once you memorise the code and become familiar with the secret signals your dancing partner uses to give you clues about his intentions, competent dance technique is all down to style, rhythm and spirited delivery. Yes, some algorithms are more complicated than others. But, overall, once the algorithmic muscle memory is forged, it really does all become second nature.

That said, there is still the need to suppress one’s embarrassment at having to writhe and prance about with a perfect stranger in proximity.

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I’m on my way to Bristol’s Festival of Ideas to interview the author John Lanchester about his recent book *How to Speak Money: What the Money People Say – and What it Really Means*, a primer on the highly coded language of the finance community. You know the sort of thing. From the dreaded “high net worth individual” to “CDO-squared”.

While the book is intended to help the intelligent non-specialist find their way through the jargon, I have also, as a financial journalist, found it helpful. I asked Lanchester whether he believed this sort of obfuscation was deliberate; part of a calculated strategy to make us dependent on all sorts of third-party intermediaries who could interpret “the code”. He said he thought much of the linguistic overload was probably unwitting, though that wasn’t to say that the delight some financial professionals take in aggrandising themselves by purposefully overcomplicating things is not indicative of an industry sickness.

Since Lanchester also writes about technology, I was keen to ask whether he thought obfuscation is now a key part of that sector’s

strategy to disrupt bankers by playing them at their own game; namely, by using ever more alienating techy terms – “sidechains”, for instance – to their own processes and relaunching them as something new. We both agreed that there’s definitely something to that view.

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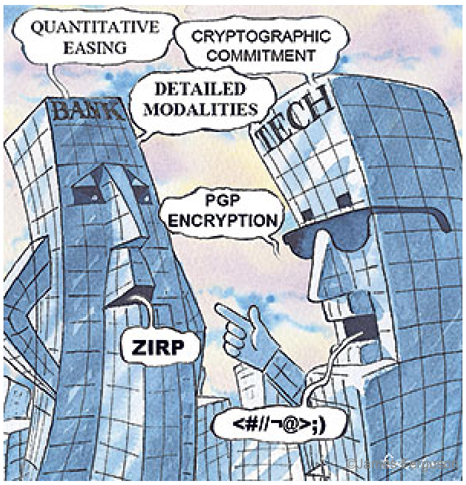
It is a core suspicion of mine that the finance industry is slowly being “disrupted” by technology companies and IT geeks, who see themselves as rightfully taking on the banks at their jobs. If I’m right, this could mean that, if and when the finance system goes wrong again, it won’t be bankers that society excoriates for shameless risk-taking and inordinate windfalls but the geniuses associated with all these new technology “platforms”, from Coinbase to Lending Club, which aren’t regulated as banks at all.

Regardless of whether the tech industry ends up doing a better or worse job at banking and credit intermediation than bankers, this turn of events leaves me, a finance journalist, facing an uncomfortable reality. Namely, that I may have spent more than 15 years familiarising myself with the wrong sort of industry jargon.



Tech jargon is certainly proving a challenge as I try to navigate the fast-moving “fintech industry”. Luckily, Chris Ellis, an “open source journalist” for the World Crypto Network, a YouTube channel that covers cryptocurrencies such as Bitcoin, has taken pity and agreed to talk me through at least some of the basics of coding and cryptography.

Appropriately, we meet at the Royal Exchange, just by the Bank of England, where the conversations around us seem, as usual, to be heavily loaded with finance terminology. Not on our table. We’re dazzling potential eavesdroppers with a new breed of alienating terms, including “cryptographic commitment”, “communication latency” and “SHA 256 hash identification”. Wow.

As homework, I’m sent a cryptographically secured email game of “rock-paper-scissors”. At the time of going to press, however, this remains uncompleted.

Izabella Kaminska is an FT Alphaville reporter.

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Illustration by James Ferguson